

## AMENDMENTS TO THE CLAIMS

1. (Currently Amended) A computerized method for a first party to earn bonus points ~~an incentive~~ from borrowing over a network, the method comprising:

providing at least one computer capable of communicating monetary transactions on a network;

having two sources of borrowed funds available on said network, a principal lending instrument having a first level of funds available for secured borrowing and an incentive lending instrument having a second level of funds available for unsecured borrowing, the first level being greater than the second level, and said incentive lending instrument providing an active accrual of bonus points simply ~~incentive~~ for borrowing from said incentive lending instrument;

borrowing funds in a first amount from said incentive lending instrument over said network incurring a first debt to said incentive lending instrument;

accruing immediately said bonus points ~~incentive~~ from said borrowing funds from said incentive lending instrument over said network;

paying a ~~said~~ second party with at least a portion of said funds borrowed from said incentive lending instrument over said network;

borrowing funds in said first amount from said principal lending instrument over said network incurring a second debt to said principal lending instrument; and

crediting said incentive lending instrument over said network with said funds borrowed from said principal lending instrument to eliminate said first debt prior to being charged interest on said first debt.

2. (Original) The method of claim 1 wherein said second debt incurs interest charges.
3. (Original) The method of claim 2 wherein interest charged on said first debt would be higher than said interest charged on said second debt if said first debt was not credited prior to said interest being charged.
4. (Original) The method of claim 1 wherein said first party is a contractor in the construction field and said second party is a subcontractor in the construction field.
5. (Original) The method of claim 1 wherein said incentive lending instrument is a credit card agreement providing for available credit on a credit card.
6. (Original) The method of claim 5 wherein said credit card consists of one of the following credit cards: American Express, MasterCard, Visa, Diner's Club, Discover, Novus.
7. (Original) The method of claim 1 wherein said principal lending instrument provides for a line of credit.
8. (Original) The method of claim 7 wherein said line of credit is a construction loan.
9. (Original) The method of claim 7 wherein said line of credit is provided by a bank.
10. (Original) The method of claim 1 wherein said incentive lending instrument includes a payment window from the time borrowing occurs until interest is charged if said first debt remains unpaid.
11. (Original) The method of claim 1 wherein said first debt exceeds said second level of funds.

12. (Original) The method of claim 11 wherein said first debt is allowed from said incentive lending instrument because said first debt is assured by said first level of funds in said principal lending instrument.
13. (Original) The method of claim 1 wherein said first debt and said second debt are of equal value.
14. (Original) The method of claim 1 further comprising the step of: providing a management company to coordinate the relationships among other entities involved in the system.
15. (Original) The method of claim 14 further comprising in said step of: having said management company limit who may participate in the system.
16. (Original) The method of claim 14 further comprising the step of: allowing said management company to provide benefits to entities participating in said method.
17. (Original) The method of claim 16 wherein in the step of allowing, said management company negotiates discounts with a third party provider for the benefit of at least one of said first party and said second party.
18. (Original) The method of claim 1 further comprising the step of: providing a title company which processes the transactions in both said steps of borrowing.
19. (Original) The method of claim 18 wherein said title company confirms that said principal lending instrument includes available credit for said first amount prior to said step of borrowing funds in said first amount from said incentive lending instrument.
20. (Original) The method of claim 18 wherein said title company earns interest on said first amount borrowed from said principal lending institution prior to said step of crediting.

21. (Original) The method of claim 1 wherein said at least a portion of said funds borrowed from said incentive lending instrument comprises said first amount less a fee.
22. (Original) The method of claim 1 wherein said first party provides at least a portion of said incentive to said second party.
23. (Original) The method of claim 1 wherein said incentive comprises a number of reward points determined based on said first amount.
24. (Original) The method of claim 1 wherein the method is repeatedly performed during a predetermined period of time.
25. (Original) The method of claim 24 wherein said predetermined period of time corresponds to the time it takes to complete a construction project.
26. (Currently Amended) A system for allowing a first party to earn bonus points an incentive from borrowing, the system comprising:
- a first party;
  - a second party who is to be paid by said first party;
  - a principal lending instrument having a first level of funds available for secured borrowing; and
  - an incentive lending instrument having a second level of funds available for unsecured borrowing, the first level being greater than the second level, and said incentive lending instrument providing active accrual of bonus points simply incentives for borrowing from said incentive lending instrument;
- wherein funds are borrowed in a first amount from said incentive lending instrument incurring a first debt to said incentive lending instrument;

wherein said bonus points ~~incentives~~ are immediately accrued to said first party simply from the use of said incentive lending instrument;

wherein said second party is paid with at least a portion of said funds borrowed from said incentive lending instrument;

wherein funds in said first amount are borrowed from said principal lending instrument incurring a second debt to said principal lending instrument; and

wherein said incentive lending instrument is credited with said funds borrowed from said principal lending instrument to eliminate said first debt prior to being charged interest on said first debt.

27. (Original) The system of claim 26 further comprising a title company through which said funds borrowed from said principal lending instrument pass.

28. (Original) The system of claim 26 wherein said first amount is greater than said second level and less than said first level.

29. (Currently Amended) A system for allowing a first party to earn bonus points ~~an incentive~~ from spending, the system comprising:

a first party;

a second party who is to be paid by said first party;

a principal source of funds having a first level of funds available for secured borrowing and owned by the first party;

an incentive lending instrument having a second level of funds available for unsecured borrowing, the first level being greater than the second level, and said incentive lending instrument providing active accrual of bonus points simply ~~incentives~~ for borrowing from said incentive lending instrument;

wherein funds are borrowed in a first amount from said incentive lending instrument incurring a first debt to said incentive lending instrument, said first amount being greater than said second level but less than said first level;

wherein a title company withdraws said first amount of funds from said principal source of funds and places said first amount of funds from said principal source of funds in a trust assuring the repayment of said incentive lending instrument;

wherein said bonus points ~~incentives~~ are immediately accrued to said first party from said incentive lending instrument on said first amount;

wherein said second party is paid with at least a portion of said funds borrowed from said incentive lending instrument; and

wherein said incentive lending instrument is credited with said funds from said principal source of funds to eliminate said first debt prior to being charged interest on said first debt.